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# FOREIGN POLICY BULLETIN

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## WHAT ARE OUR OBJECTIVES IN EUROPE?

*(The first of three articles on United States policy in Europe.)*

THE negotiations now being feverishly conducted at many widely separated points—by the three-power European Advisory Commission in London, by Yugoslav and Polish factions in London, Greek factions in Beirut, and by the French and the Allies in London and Algiers—reveal the urgent need of finding common denominators of political action in Europe before that continent is liberated from the Nazis. It was divisions within and among the nations menaced by Hitler that so greatly facilitated their conquest in 1939. Many of these divisions persist and, in some cases, have become further envenomed by the bitter experience of war and civil strife. If the military victory so carefully prepared by the United Nations is to bear fruit, a preliminary understanding as to the uses we shall make of victory must be reached before invasion gets under way.

**ALLIANCES VS. WORLD ORGANIZATION.** It is therefore all the more troubling that, at this advanced stage of the war, a fundamental cleavage of views has emerged between those who believe that decisions about both war and post-war operations in Europe should be entrusted to a directorate of the three great powers—Britain, the United States and Russia—and those who believe that no stability can be achieved on the continent or, for that matter, elsewhere unless an international organization is set up before the pressures of war have been relaxed. The dangers of this cleavage were clearly analyzed by former Under Secretary of State Sumner Welles in his New York speech of May 18. Although Mr. Welles seemed over-optimistic in dismissing the possibility that the United States may, after the war, return to isolationism, he rightly said that our choice will be less between isolation and international collaboration than between "true world organization" and "a policy based upon military alliances, the indefinite piling up of armaments, and their inevitable

adjunct, stark imperialism." What is worse, this choice is already being clouded for the citizens of this country and of other great powers by the argument that military alliances are a form of international collaboration, and that in the foreseeable future they alone can assure physical security—at least for the great powers. True, no world organization can exist without agreement between the great powers. But will world organization emerge from a great-power military alliance?

**CAN WE HOPE FOR SOMETHING NEW?** The trend toward Big Four alliances noted by Mr. Welles has been, perhaps fortuitously, encouraged by the warning of the distinguished historian, Carl Becker, that no fundamental changes can be expected in the wake of the war, and that the "new world" hopefully anticipated by many will not, after all, prove particularly new. This warning represents an understandable reaction against the starry-eyed idealists who have preached that, as we approach the post-war period, "all the past we leave behind," to quote Whitman. It is obviously true that certain things will remain more or less unchanged, as they have throughout the ages—among them some of the most precious values of human life which few would like to see changed. But to assume that little or nothing can be basically altered in relations between human beings—and hence in relations between nations—is not only to adopt a defeatist attitude, but to disregard facts with which we are all familiar.

We have witnessed, in our own lifetime, enough profound changes—through revolution in Russia, through gradual adjustments in Britain and the United States, to cite only a few examples—to convince us that much that is new can yet be expected in the future. If changes can and do take place within nations, why are they automatically barred in relations between nations—unless, of course, we consciously bar them? Even this has not proved true

during the war, for in their effort to defeat the Axis the United Nations have succeeded in developing effective methods of collaboration which, if adapted to peacetime purposes, could profoundly alter the international way of life. Nor can we forget that even if the great powers should foster the belief that things can or should remain more or less unchanged, other peoples have not taken that quiescent view—as shown by the ruthless determination of the Nazis and the Japanese to reshape the world to their own advantage, and by the desire of peoples all over the globe to alter their present condition. It will always be a matter of endless philosophical discussion whether change, of itself, constitutes progress—and in every age there are millions of human beings who honestly believe that all change is fraught with risk or impossible of attainment.

**GREAT POWERS MUST BE RESPONSIBLE.** To those who start from the premise that there is little hope of improving relations among nations in the visible future, the idea of a four-power or, in Europe, a three-power alliance, seems the easiest way out of the dilemma created for all nations by their demonstrated incapacity to remain permanently isolated from the rest of the world. The idea of a great-power directorate inevitably appeals to citizens of great powers, who cannot but realize that their countries must bear the brunt not only of war, but of post-war reconstruction. The creation of such a directorate is justified on the ground that Britain, the United States and Russia, unlike Germany and Japan, will exercise their power benevolently, and therefore for the ultimate good of all concerned. This argument smacks unpleasantly of the traditional "I know best what is good for the rest of you" attitude of all

dictators throughout history. In a democratic society a strong executive is not only unobjectionable, but actually, given the complexities of modern life, desirable—but only because it is responsible to the people. To whom would a directorate of the great powers be responsible if there is no international organization in which small nations, as well as great, are represented? Who could check irresponsible or socially harmful action on their part, since they would presumably control the bulk of the world's industrial and military power? The public opinion of their own peoples might conceivably do so, where it exists—but we all know how easy it is to represent any action by a great power as a security measure.

In the absence of responsibility to a world organization, how would the great-power directorate use its military force in Europe? Would it seek to aid the efforts of the small nations to advance their political, economic and social development? Or would it try to maintain, more or less unchanged, the order of things that existed in Europe in 1939, following the example of the Holy Alliance of 1815? Assuming even that complete harmony is achieved among Russia, Britain and the United States concerning specific issues on the continent before and after liberation, can it be taken for granted that the liberated peoples, who rejected Hitler's *Diktat* enforced at the point of a gun, would supinely accept the dictation, however benevolent it might be, of other great powers? Any one who takes this for granted is dangerously ignorant of the state of mind of Europeans. That is why it is especially necessary to clarify, and keep on clarifying, the objectives the United States—in concert with other nations—is pursuing in Europe.

VERA MICHELES DEAN

## HULL AND IADC AGREE ON NEED FOR FREER TRADE

On the occasion of the opening of National Foreign Trade Week (May 21-27), Secretary Cordell Hull outlined a program which suggests the necessary adjustments that must be made toward expansion of international trade. He emphasized the important role the United States will play in the future expansion of trade insisting, however, that this can only be accomplished through cooperation with other nations. Mr. Hull stated that any international organization that may be set up to keep and enforce the peace must be based on an "international arrangement for currency stability as an aid to commerce and the settlement of international financial transactions. Through international investment, capital must be made available for the sound development of latent natural resources and productive capacity in relatively undeveloped areas. Above all, provision must be made for reduction or removal of unreasonable trade barriers and for the abandonment of trade discrimination in all forms."

**HEMISPHERIC PROPOSALS.** Secretary Hull's

statement closely parallels the recommendations made by the Inter-American Development Commission, whose 10-day conference in New York closed on May 18. In speaking to the final session of the IADC, Nelson A. Rockefeller, the Commission's chairman, pointed out that hemispheric economic development would contribute to the reconstruction of trade in general and indicated that no exclusive regional bloc was intended. The discussions of the Development Commission centered on two main themes: economic development and investments, and international trade and transportation. In its final resolutions the Commission also called for reduction of tariffs and other trade barriers, but more specifically for industrialization of undeveloped countries in Latin America, prevention of inflation, improvement of transportation, and establishment of inter-American investment banks in each country. Throughout the conference it was emphasized that Latin America, with its 130,000,000 inhabitants, is a potential market of great size but, unless the con-

inent is industrialized, the purchasing power of the low-income workers will remain small.

The Inter-American Development Commission, organized in June 1940, is one of several inter-American economic commissions formed by the Financial and Economic Advisory Committee, which in turn grew out of the Panama Meeting of Foreign Ministers in September 1939. The Commission's purpose is to promote and finance industry and agricultural development in the Americas with capital from both the United States and Latin America. National Commissions now exist in all of the Latin American countries, made up of government, business and financial

representatives. The present conference adopted two resolutions with regard to the organization of the Commission. One proposed the creation of a National Commission in Canada, which at this conference was represented solely by a government observer, and the other favored inclusion of labor members in the various national commissions. Both the resolutions passed by the IADC and the statement by Secretary Hull present in broad outline plans for post-war trade and economic development on which the United States and the business and government leaders of the American Republics can unite.

GRANT S. McCLELLAN

## BRITISH COMMONWEALTH STAKES

The declaration issued on May 17 by the Prime Ministers of Britain, Canada, Australia, New Zealand and South Africa after a two-week conference in London indicates that the Second World War, unlike the First, will bring no significant change in the organization of the British Commonwealth. In the absence of any reference to new consultative machinery, it can be assumed that not only has Viscount Halifax's suggestion for gradual integration of Commonwealth policy been shelved, but also the proposal of Australia's Prime Minister, John Curtin, for a permanent secretariat.

Agreement to eschew greater centralization can be explained largely, it seems, by Canada's opposition to any moves in this direction. Prime Minister King warned a joint session of the British Parliament on May 11 that "we cannot be too careful to see that to our peoples new methods will not appear as an attempt to limit their freedom of decision, or to peoples outside the Commonwealth as an attempt to establish a separate bloc." Mr. King argued that the present method of consultation, in which the Cabinets of the Commonwealth are linked in continuing conference through their respective High Commissioners, would best achieve the combination of unity and freedom of action on which the strength of the Commonwealth depends. The weight of this argument, coming from the senior Dominion and from a nation with peculiarly close ties to the United States, appears to have been a major factor in the decision that the Commonwealth should remain substantially unchanged in spirit and structure.

## COMMONWEALTH AND WORLD ORDER

On the question of a more highly integrated world system, however, the Conference took a definite stand, the Prime Ministers jointly affirming their support for the establishment of "a world organization

## FUTURE UNITY ON WORLD ORDER

to maintain peace and security . . . endowed with the necessary power and authority to prevent aggression and violence." This declaration of purpose marks an important step toward creation of a new world order by the United Nations. It also indicates willingness on the part of the Dominions to forsake the policy of aloofness toward Europe's problems which characterized their attitude—particularly that of Canada—during the inter-war years. And for Britain, as well as the other nations of the Commonwealth, it constitutes official recognition of the fact that only within a world system can the Commonwealth maintain a unity based on such informal bonds as "inheritance, loyalties and ideals."

Some observers have been discouraged by the fact that no statement was made with respect to the economic relations of the Commonwealth. This has been interpreted, probably rightly, to mean that the question of imperial preferences remains substantially where Prime Minister Churchill left it in his speech of April 21, when he indicated that neither Britain nor the Dominions had commitments to abolish the Ottawa preferential system. There is reason to believe, however, that as progress is made toward the solution of such problems as currency stabilization and international investment, agreement can also be reached on removal of trade barriers, whether tariffs or preferences. But it would be a mistake to expect that the Commonwealth can offer the United States an exact *quid pro quo* by way of elimination of preferences in return for reduction of tariffs. Both the United States and the Commonwealth will have to seek expansion of their foreign trade through the larger multilateral approach to world commerce and finance recommended by Secretary of State Hull in his statement of May 20.

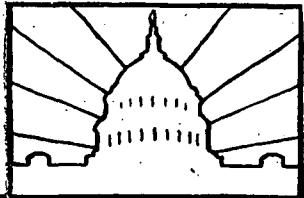
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# Washington News Letter



## POLITICAL PREPARATIONS FOR INVASION

The Allied forces, in their invasion of western Europe, will have not only to destroy German military might, but to restore the self-confidence of millions of western Europeans who for four years have been treated by the Nazis as subject nations.

WESTERN EUROPEAN PACTS. So far as western Europe is concerned political preparations were completed in one sector on May 16 by the conclusion of agreements with three governments-in-exile—Norway, the Netherlands and Belgium. These agreements cover such points as the way the liberating armies will administer civil affairs, the length of time they will remain, and the procedure by which they will turn the administration over to the government-in-exile. Since occupation administration is recognized above all as a military matter, the agreements reflect the wishes of General Dwight D. Eisenhower, Allied Commander-in-Chief in England. Civilian foreign affairs officials in Washington, however, hope that the Allied armies will resist the temptation to extend the term of military administration in the liberated areas. Over-long military administration might jeopardize the prospects for international post-war collaboration.

By contrast to the agreements concluded with Norway, the Netherlands and Belgium, preparations for invasion have not been thoroughly worked out with the French Committee of National Liberation. For lack of an understanding on this crucial subject the French Committee's relations with the United States and Britain have once more become tense. Meanwhile, Washington is cautious in its attitude toward the Committee, feeling that the latter is inclined to act on its own, without due consideration for Anglo-American plans and wishes.

In keeping with the policy of not recognizing the Committee as a government, General Eisenhower has been authorized by Washington, following invasion of France, to deal as he sees fit, on a day-to-day basis, with General Charles de Gaulle, president of the Committee (which on May 16 announced in Algiers that it would soon proclaim itself the Provisional Government of the French Republic), as well as with local French elements in establishing a civil administration. General Eisenhower has been conducting useful administrative talks in London with the head of the French Military Mission, General Joseph Pierre Koenig, although the Committee in Algiers declared on May 6 that the Koenig-Eisenhower talks

could serve no purpose so long as the ban on cipher messages from Britain continued in effect. It is reported that the British government subsequently raised the ban temporarily to permit transmission of a message from Koenig to de Gaulle, and newspaper stories that the talks broke down are incorrect.

CZECH-RUSSIAN AGREEMENT. The Norwegian, Dutch and Belgian agreements, whose texts have not yet been released, are said to follow generally the agreement signed on May 8 between the Czechoslovak government-in-exile and the Soviet Union (which joined with Britain and the United States in the Norwegian agreement). An important difference, however, marks the agreements for West and East. The Czech-Russian document provides that the Czechoslovak government is to take into its own hands the power of administration in any territory as soon as direct warfare in that territory is concluded. For Norway, the Netherlands and Belgium, there is a looser clause which, as announced by the State Department, declares: "as soon as the military situation permits, the government shall resume its full constitutional responsibility for civil administration, on the understanding that such special facilities as the Allied forces may continue to require will be made available for the prosecution of the war and its final conclusion." It is possible that the governments-in-exile and the military authorities may differ as to when "the military situation permits" the return of the governments, whose temporary capital is London.

The Norwegian and Belgian governments undertake in the agreements to assign a delegate to cooperate with the Allied armies as they advance. The Netherlands government, however, plans to declare a state of siege during military operations on Dutch soil and to function under those conditions.

REASON FOR MILITARY RULE. The chief aim of military administration is to assure "the prosecution of the war to a successful termination," with due regard first, to military necessity and second, to the welfare of the peoples concerned. Whether the invasion will jeopardize future friendship among the liberated and the liberators will be determined by the measures taken by General Eisenhower's staff. Will it enforce a long and rigid censorship? Will it respect the sensitiveness of long-suffering peoples? The answers to these questions are bound to have profound influence on the future evolution of Europe.

BLAIR BOLLES

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